

VZCZCXR00047
RR RUEHAG RUEHDF RUEHLZ
DE RUEHRL #0407/01 0921252
ZNR UUUUU ZZH
R 011252Z APR 08
FM AMEMBASSY BERLIN
TO RUEHC/SECSTATE WASHDC 0801
INFO RUCNFRG/FRG COLLECTIVE

UNCLAS SECTION 01 OF 02 BERLIN 000407

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E.O. 12958: N/A

TAGS: [SENV](#) [ENRG](#) [TRGY](#) [KGHG](#) [KPAO](#) [KSCA](#) [GM](#)

SUBJECT: WIREC - GERMAN PLEDGES AND REACTIONS

REF: A. STATE 26870

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11. (SBU) SUMMARY: Many of Germany's pledges included in the Washington International Action Program (WIAP) from the Washington International Renewable Energy Conference (WIREC) were similar to climate and energy measures already agreed to by the German Cabinet in August 2007. Additional commitments included financial support for renewable energy and energy efficiency projects in developing countries, as well as the promotion of experience exchanges between countries that use a Feed-In-System. Members of the German delegation, while pleased with the scope and overall organization of the conference, expressed concern that WIREC was too heavily focused on nuclear energy and on the U.S. domestic market. They also noted that WIREC did not send a "political signal," and could have included more direct participation by developing countries and NGOs.
END SUMMARY.

GERMANY'S PLEDGES

12. (U) Three of Germany's pledges to the WIAP corresponded with energy and climate measures that were agreed on by the German Government at the August 2007 Meseberg cabinet retreat and subsequently presented to the German Federal Parliament in December 2007. These included a commitment to feed biogas into the natural gas network, along with measures subsequently outlined in the Renewable Energies Heat Act and Renewable Energy Sources Act (see ref B). For example, Germany will expand its use of wind energy to 15 percent of electricity consumption and provide additional funding for renewable energy technology research.

13. (U) Pledges not included in the August 2007 Government agreement came primarily from the German Development Ministry (BMZ) as they dealt with foreign, rather than domestic issues. Specifically, BMZ will increase its funding for new renewable energy and energy efficiency projects that help developing countries meet their Millennium Development Goals (550 million euro). In addition, it will allocate 200 million euro for soft loan financing to promote renewable energy projects that cannot qualify for corporate financing. Finally, BMZ committed to promote experience exchanges between countries that are using a Feed-In-System (which feeds biogas into the natural gas network).

GERMAN FEEDBACK AND REACTIONS

14. (SBU) Select members of the German delegation to WIREC, mostly at the working- and head of section level, have provided post with feedback on the conference. Participants by and large reported that they were impressed with the scope and organization of WIREC, including the Ministerial, business conference, and trade show. Participants commented that U.S. views on renewable energies have evolved over the past year and pointed favorably to new steps taken

by the Administration to promote renewable energy. Participants also noted that the diversity of countries in attendance indicates that discussion of renewables has risen to a new level of prominence. Although impressed by the number of high-ranking U.S. officials in attendance, some delegation members expressed concern that the U.S. presence dominated the conference, which often made WIREC's focus seem more domestic than international.

¶15. (SBU) Most German participants expressed concern about the emphasis placed on nuclear energy as an alternative to fossil fuels, noting that nuclear is not a viable solution for many of the countries in attendance. (NOTE: These comments are not surprising given strong feelings in Germany about nuclear energy. END NOTE.) German delegation members said they would have preferred more focus on wind, solar, hydro, geothermal, and biomass alternatives. Participants also noted that most discussions were, for the most part, U.S.-focused (e.g., potential revenue opportunities in the renewable energy market). That said, many expressed strong interest in learning more about the development of the U.S. renewable energy market.

¶16. (SBU) German participants also expressed concern that, unlike past conferences, such as those held in Bonn and Beijing, this conference was an experts meeting. Because there were no political opinions or resolutions, they insisted, WIREC did not send a "political signal." As a result, many interlocutors insisted, WIREC generated little enthusiasm and received almost no media coverage in Germany.

¶17. (SBU) Members of the German delegation also expressed disappointment that African countries, with which Germany maintains very close relations in terms of developmental policy, were not sufficiently represented. Participants noted that growth in renewable energies will occur primarily in developing countries and said engaging developing countries in dialogue about the challenge

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those countries face is essential to the promotion of renewable energy. German participants viewed India's offer to host the next global renewable energy conference in 2010 as a key outcome.

¶18. (SBU) German participants also expressed concern about the lack of NGO participation in WIREC, pointing out that no German NGO attended WIREC, ostensibly because of the high conference fee. Some interlocutors asserted that, contrary to the prior two conferences in Bonn and Beijing, NGOs were not invited to participate in the planning process for WIREC.

COMMENT

¶19. (SBU) All of our German interlocutors characterized WIREC as a net positive, primarily because they perceive the United States as more engaged than before in promoting renewable energy. Nonetheless, many within the German government are reluctant to accept the U.S. as an important player in this field, in part because they are wary of surrendering "ownership" of the issue (and perhaps in part because of the resonance that climate change has in domestic politics). Indeed, recent public comments by some government officials indicate a concern to continue to portray Germany as a leader on renewables and to promote a centralized, top-down approach to promote the uptake of renewable energy. The German proposal to establish an International Renewable Energy Agency (IRENA) is the key example here. This may also help to explain the German critique of WIREC, with its focus on promoting decentralized, local solutions.

TIMKEN JR.